



To the Honorable Council
City of Norfolk, Virginia

July 14, 2015

From: David S. Freeman, AICP
Director of General Services

Subject: Acceptance of Bid for
Extension of a Long Term Parking
Agreement for 40 Residential Parking
Spaces in the Boush Street Garage
and 95 Residential Parking Spaces in
the Town Point Garage

Reviewed: Sabrina Joy Hogg
Sabrina Joy-Hogg, Assistant City Manager

Ward/Superward: 2/6

Approved: Marcus D. Jones
Marcus D. Jones, City Manager

Item Number:
IB-3

I. **Recommendation:** Accept Highest Bid from a Responsible Bidder and Adopt Ordinance.

II. **Applicant:** City of Norfolk

III. **Description:**

This agenda item is an Ordinance accepting a bid for extension of a Long Term Parking Agreement in the Boush Street and Town Point Garages, which was initiated by the developer with the intent of providing parking for resident tenants in the building located at 100 West Plume Street. The Boush Street and Town Point Garages have sufficient available capacity to accommodate the 135 parking spaces required by this agreement.

IV. **Analysis**

As stated above, sufficient capacity is available in the Boush Street and Town Point Garages to accommodate the potential demand of up to 135 total spaces. The proposed term of the parking agreement would be ten (10) years to commence on the termination date of the current ten (10) year agreement. Because the term is in excess of five (5) years, the proposed lease must be bid in accordance with the requirements of section 15.2-2100 of the *Code of Virginia*.

V. **Financial Impact**

Under this Parking Agreement, the City would provide a maximum of 40 unreserved parking spaces in the Boush Street Garage and 95 unreserved spaces in the Town Point Garage at the

monthly rate charged for 24/7 residential parking (currently \$50.50 per space). The potential revenue to the Parking Fund could be as high as \$81,810 per year or potentially as high as \$1,636,200 over the life of both agreements. The rates charged are subject to future rate adjustments.

VI. Environmental
N/A

VII. Community Outreach/Notification

In accordance with the Norfolk City Charter and Virginia State law, legal notice was posted in *The Virginian-Pilot*. In addition, public notification for the agenda item was conducted through the City of Norfolk's agenda notification process.

VIII. Board/Commission Action
N/A

IX. Coordination/Outreach

This letter and ordinance have been coordinated with the Department of General Services, Department of Development and the City Attorney's Office.

Supporting Material from the Department of General Services:

- Ordinance
- Lease Agreement

6/4/2015

Form and Correctness Approved:

By Nathan Beaman
Office of the City Attorney

Contents Approved:

By [Signature]
DEPT.

NORFOLK, VIRGINIA

ORDINANCE No.

AN ORDINANCE ACCEPTING THE BID SUBMITTED BY _____ FOR THE EXTENSION OF THAT CERTAIN GARAGE PARKING AGREEMENT BETWEEN SEABOARD BUILDING, LLC AND THE CITY OF NORFOLK, FOR 40 RESIDENTIAL PARKING SPACES IN THE BOUSH STREET GARAGE AND 95 RESIDENTIAL PARKING SPACES IN THE TOWN POINT GARAGE, FOR A PERIOD OF TEN YEARS, TO COMMENCE ON THE TERMINATION DATE OF THE CURRENT AGREEMENT.

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WHEREAS, the City of Norfolk ("City") entered into a garage parking agreement with Seaboard Building, LLC ("Seaboard"), dated May 2, 2014 ("2014 Agreement"), for the lease of a maximum of 40 residential parking spaces in the Boush Street Garage and 95 residential parking spaces in the Town Point Garage, for a term of ten years in accordance with the requirements of the Code of Virginia, 1950, as amended; and

WHEREAS, Seaboard has requested that the current 2014 Agreement be extended for an additional term of ten years so that the term of the 2014 Agreement, as extended, will total twenty years; and

WHEREAS, Section 15.2-2105 of the Code of Virginia, 1950, as amended, requires that any such extension be bid in accordance with the provisions of Sections 15.2-2101 through 15.2-

2104 of the Code of Virginia, 1950, as amended; and

WHEREAS, pursuant to the provisions of Section 15.2-2100, et seq., of the Code of Virginia, 1950, as amended, the City of Norfolk has invited bids for the extension of the current 2014 Agreement for an additional ten years, to commence on the current termination date, such extension to be subject to all other terms and conditions of the 2014 Agreement; and

WHEREAS, the requirements of Sections 15.2-2101 and 15.2-2102 of the Code of Virginia, 1950, as amended, have been met and the Council has carefully considered all bids submitted; now, therefore,

BE IT ORDAINED by the Council of the City of Norfolk:

Section 1:- That _____, being the highest responsible bidder, its bid for the extension of the current 2014 Agreement for an additional ten years, subject to all other terms and conditions of the 2014 Agreement, is hereby accepted.

Section 2:- That pursuant to Section 15.2-2104 of the Code of Virginia, 1950, as amended, the Council has determined that a bond in the sum of \$500.00 shall be executed in favor of the City of Norfolk.

Section 3:- That the City Manager is authorized to execute an Extension of the 2014 Agreement consistent with this ordinance, and to do all things necessary and proper in furtherance thereof.

Section 4:- That this ordinance shall be in effect from and after thirty (30) days from the date of its adoption.